



June 15, 2005

Little Hoover Commission
925 "L" Street, Suite 805
Sacramento, CA 95814

**Re: Support on the Governor's Reorganization Plan to
Create a California Department of Energy**

Dear Chairman Alpert and Members of the Commission:

The Industrial Environmental Association (IEA) is a manufacturers' public policy organization based in San Diego and represents diverse industrial facilities throughout our region, including such sectors as aerospace, defense, electronics, high-technology, telecommunications, pharmaceutical and life sciences companies. As large industrial energy users, these businesses have a heightened awareness of the need to be involved in energy policy in order to avoid another crisis. Our organization has two representatives on the San Diego Association of Governments Energy Working Group and actively participated in the development of the Regional Energy Plan.

IEA is in support of the Governor's plan to create a Department of Energy to provide the state with an integrated statewide energy policy, unified leadership and clear accountability. The decision-making process for siting, permitting and installation of generation and transmission infrastructure, as well as a competitive market framework, needs a centralized vision with defined leadership, responsibility and authority to carry that vision forward in a clear, concise and timely manner. We feel that the Governor's plan to establish a new cabinet post for a newly-formed Department of Energy will best accomplish the necessary consolidation of functions and responsibilities to take the state in the right direction.

Manufacturing facilities are highly dependent on a reliable energy at a reasonable price. California simply can't remain competitive, retain or attract the kind of companies that contribute the most value to the economy until they have some level of confidence that the state is prepared to deal with a broad array of complex energy issues efficiently and swiftly and has a comprehensive energy policy.

Once again, we would like to add our support for the Governor's Reorganization Plan to create a California Department of Energy, and we thank you for your consideration of our comments.

Sincerely,

A handwritten signature in black ink that reads "Patti Krebs". The signature is fluid and cursive, with the first name "Patti" and last name "Krebs" clearly distinguishable.

Patti Krebs
Executive Director